

AMENDED IN SENATE MAY 13, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 520

Introduced by Assembly Member Salinas

February 18, 2003

An act to ~~add Section 57202.1 to~~ amend Section 56886 of, and to add Section 57202.1 to, the Government Code, relating to local agency reorganization.

LEGISLATIVE COUNSEL'S DIGEST

AB 520, as amended, Salinas. Local agency reorganization: effective date.

Existing law requires that after the adoption by the local agency formation commission of a resolution ordering a change of organization or reorganization without an election or confirming an order for a change of organization or reorganization after confirmation by the voters an effective date be fixed. The effective date may be fixed in the terms and conditions of the resolution, but may not be earlier than the date of execution of the certificate of completion nor later than 9 months after the election in which the voters confirmed the change of organization or reorganization.

This bill would provide that, in the case of ~~an annexation~~ a reorganization requested by a city in Santa Cruz County *that has adopted a voter approved urban limit line*, those conditions shall not apply and the effective date of that ~~change of organization~~ reorganization shall be fixed in the commission resolution. *The bill would also make a conforming change.*

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *Section 56886 of the Government Code is*
2 *amended to read:*

3 56886. Any change of organization or reorganization may
4 provide for, or be made subject to one or more of, the following
5 terms and conditions. If a change of organization or reorganization
6 is made subject to one or more of the following terms and
7 conditions in the commission's resolution making determinations,
8 the terms and conditions imposed shall constitute the exclusive
9 terms and conditions for the change of organization or
10 reorganization, notwithstanding the general provisions of Part 5
11 (commencing with Section 57300). However, none of the
12 following terms and conditions shall directly regulate land use,
13 property development, or subdivision requirements:

14 (a) The payment of a fixed or determinable amount of money,
15 either as a lump sum or in installments, for the acquisition, transfer,
16 use or right of use of all or any part of the existing property, real
17 or personal, of any city, county, or district.

18 (b) The levying or fixing and the collection of any of the
19 following, for the purpose of providing for any payment required
20 pursuant to subdivision (a):

21 (1) Special, extraordinary, or additional taxes or assessments.

22 (2) Special, extraordinary, or additional service charges,
23 rentals, or rates.

24 (3) Both taxes or assessments and service charges, rentals, or
25 rates.

26 (c) The imposition, exemption, transfer, division, or
27 apportionment, as among any affected cities, affected counties,
28 affected districts, and affected territory of liability for payment of
29 all or any part of principal, interest, and any other amounts which
30 shall become due on account of all or any part of any outstanding
31 or then authorized but thereafter issued bonds, including revenue
32 bonds, or other contracts or obligations of any city, county, district,
33 or any improvement district within a local agency, and the levying
34 or fixing and the collection of any (1) taxes or assessments, or (2)
35 service charges, rentals, or rates, or (3) both taxes or assessments

1 and service charges, rentals, or rates, in the same manner as
2 provided in the original authorization of the bonds and in the
3 amount necessary to provide for that payment.

4 (d) If, as a result of any term or condition made pursuant to
5 subdivision (c), the liability of any affected city, affected county,
6 or affected district for payment of the principal of any bonded
7 indebtedness is increased or decreased, the term and condition may
8 specify the amount, if any, of that increase or decrease which shall
9 be included in, or excluded from, the outstanding bonded
10 indebtedness of that entity for the purpose of the application of any
11 statute or charter provision imposing a limitation upon the
12 principal amount of outstanding bonded indebtedness of the entity.

13 (e) The formation of a new improvement district or districts or
14 the annexation or detachment of territory to, or from, any existing
15 improvement district or districts.

16 (f) The incurring of new indebtedness or liability by, or on
17 behalf of, all or any part of any local agency, including territory
18 being annexed to any local agency, or of any existing or proposed
19 new improvement district within that local agency. The new
20 indebtedness may be the obligation solely of territory to be
21 annexed if the local agency has the authority to establish zones for
22 incurring indebtedness. The indebtedness or liability shall be
23 incurred substantially in accordance with the laws otherwise
24 applicable to the local agency.

25 (g) The issuance and sale of any bonds, including authorized
26 but unissued bonds of a local agency, either by that local agency
27 or by a local agency designated as the successor to any local agency
28 which is extinguished as a result of any change of organization or
29 reorganization.

30 (h) The acquisition, improvement, disposition, sale, transfer,
31 or division of any property, real or personal.

32 (i) The disposition, transfer, or division of any moneys or
33 funds, including cash on hand and moneys due but uncollected,
34 and any other obligations.

35 (j) The fixing and establishment of priorities of use, or right of
36 use, of water, or capacity rights in any public improvements or
37 facilities or any other property, real or personal. However, none of
38 the terms and conditions ordered pursuant to this subdivision shall
39 modify priorities of use, or right of use, to water, or capacity rights
40 in any public improvements or facilities that have been fixed and

1 established by a court or an order of the State Water Resources
2 Control Board.

3 (k) The establishment, continuation, or termination of any
4 office, department, or board, or the transfer, combining,
5 consolidation, or separation of any offices, departments, or boards,
6 or any of the functions of those offices, departments, or boards, if,
7 and to the extent that, any of those matters is authorized by the
8 principal act.

9 (l) The employment, transfer, or discharge of employees, the
10 continuation, modification, or termination of existing
11 employment contracts, civil service rights, seniority rights,
12 retirement rights, and other employee benefits and rights.

13 (m) The designation of a city, county, or district, as the
14 successor to any local agency that is extinguished as a result of any
15 change of organization or reorganization, for the purpose of
16 succeeding to all of the rights, duties, and obligations of the
17 extinguished local agency with respect to enforcement,
18 performance, or payment of any outstanding bonds, including
19 revenue bonds, or other contracts and obligations of the
20 extinguished local agency.

21 (n) The designation of (1) the method for the selection of
22 members of the legislative body of a district or (2) the number of
23 those members, or (3) both, where the proceedings are for a
24 consolidation, or a reorganization providing for a consolidation or
25 formation of a new district and the principal act provides for
26 alternative methods of that selection or for varying numbers of
27 those members, or both.

28 (o) The initiation, conduct, or completion of proceedings on a
29 proposal made under, and pursuant to, this division.

30 (p) The fixing of the effective date *or dates* of any change of
31 organization, subject to the limitations of Section 57202.

32 (q) Any terms and conditions authorized or required by the
33 principal act with respect to any change of organization.

34 (r) The continuation or provision of any service provided at that
35 time, or previously authorized to be provided by an official act of
36 the local agency.

37 (s) The levying of assessments, including the imposition of a
38 fee pursuant to Section 50029 or 66484.3 or the approval by the
39 voters of general or special taxes. For the purposes of this section,
40 imposition of a fee as a condition of the issuance of a building

1 permit does not constitute direct regulation of land use, property
2 development, or subdivision requirements.

3 (t) The extension or continuation of any previously authorized
4 charge, fee, assessment, or tax by the local agency or a successor
5 local agency in the affected territory.

6 (u) The transfer of authority and responsibility among any
7 affected cities, affected counties, and affected districts for the
8 administration of special tax and special assessment districts,
9 including, but not limited to, the levying and collecting of special
10 taxes and special assessments, including the determination of the
11 annual special tax rate within authorized limits; the management
12 of redemption, reserve, special reserve, and construction funds;
13 the issuance of bonds which are authorized but not yet issued at the
14 time of the transfer, including not yet issued portions or phases of
15 bonds which are authorized; supervision of construction paid for
16 with bond or special tax or assessment proceeds; administration of
17 agreements to acquire public facilities and reimburse advances
18 made to the district; and all other rights and responsibilities with
19 respect to the levies, bonds, funds, and use of proceeds that would
20 have applied to the local agency that created the special tax or
21 special assessment district.

22 (v) Any other matters necessary or incidental to any of the
23 terms and conditions specified in this section. If a change of
24 organization, reorganization, or special reorganization provides
25 for, or is made subject to one or more of, the terms and conditions
26 specified in this section, those terms and conditions shall be
27 deemed to be the exclusive terms and conditions for the change of
28 organization, reorganization, or special reorganization, and shall
29 control over any general provisions of Part 5 (commencing with
30 Section 57300).

31 *SEC. 2.* Section 57202.1 is added to the Government Code, to
32 read:

33 57202.1. In the case of ~~an annexation~~ *a reorganization*
34 requested by a city in Santa Cruz County ~~the conditions that has~~
35 *adopted a voter approved urban limit line, the conditions of*
36 *paragraph (2) of subdivision (a) of Section 57202 shall not apply*
37 *and the effective date of that* ~~change of organization~~
38 *reorganization shall be fixed in the terms and conditions of the*
39 *commission resolution.*

40 ~~SEC. 2.—~~

1 *SEC. 3.* The Legislature finds and declares that, because of the
2 unique circumstances applicable only to the County of Santa Cruz,
3 a statute of general applicability cannot be enacted within the
4 meaning of subdivision (b) of Section 16 of Article IV of the
5 California Constitution. Therefore, this special statute is
6 necessary.

